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SENATE BILL 5639

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State of Washington                      60th Legislature                      2007 Regular Session

By Senators Spanel, Clements, Pflug, Kohl-Welles, Jacobsen,  
Rasmussen, Poulsen, Regala and Kline

Read first time 01/26/2007. Referred to Committee on Labor,  
Commerce, Research & Development.

1            AN ACT Relating to a caterer's endorsement for licensed  
2 microbreweries; amending RCW 66.24.244; reenacting and amending RCW  
3 66.24.244; providing an effective date; and providing an expiration  
4 date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            **Sec. 1.** RCW 66.24.244 and 2006 c 302 s 3 and 2006 c 44 s 2 are  
7 each reenacted and amended to read as follows:

8            (1) There shall be a license for microbreweries; fee to be one  
9 hundred dollars for production of less than sixty thousand barrels of  
10 malt liquor, including strong beer, per year.

11            (2) Any microbrewery license under this section may also act as a  
12 distributor and/or retailer for beer and strong beer of its own  
13 production. Any microbrewery licensed under this section may act as a  
14 distributor for beer of its own production. Strong beer may not be  
15 sold at a farmers market or under any endorsement which may authorize  
16 microbreweries to sell beer at farmers markets. Any microbrewery  
17 operating as a distributor and/or retailer under this subsection shall  
18 comply with the applicable laws and rules relating to distributors  
19 and/or retailers. A microbrewery holding a spirits, beer, and wine

1 restaurant license may sell beer of its own production for off-premises  
2 consumption from its restaurant premises in kegs or in a sanitary  
3 container brought to the premises by the purchaser or furnished by the  
4 licensee and filled at the tap by the licensee at the time of sale.

5 (3) Any microbrewery licensed under this section that also holds  
6 either a spirits, beer, and wine restaurant license or a beer and/or  
7 wine restaurant license may also receive a caterer's endorsement to  
8 either of those licenses as permitted under RCW 66.24.320 and  
9 66.24.420.

10 (4) The board may issue an endorsement to this license allowing for  
11 on-premises consumption of beer, including strong beer, wine, or both  
12 of other manufacture if purchased from a Washington state-licensed  
13 distributor. Each endorsement shall cost two hundred dollars per year,  
14 or four hundred dollars per year allowing the sale and service of both  
15 beer and wine.

16 ((+4)) (5) The microbrewer obtaining such endorsement must  
17 determine, at the time the endorsement is issued, whether the licensed  
18 premises will be operated either as a tavern with persons under twenty-  
19 one years of age not allowed as provided for in RCW 66.24.330, or as a  
20 beer and/or wine restaurant as described in RCW 66.24.320.

21 ((+5)) (6)(a) A microbrewery licensed under this section may apply  
22 to the board for an endorsement to sell bottled beer of its own  
23 production at retail for off-premises consumption at a qualifying  
24 farmers market. The annual fee for this endorsement is seventy-five  
25 dollars.

26 (b) For each month during which a microbrewery will sell beer at a  
27 qualifying farmers market, the microbrewery must provide the board or  
28 its designee a list of the dates, times, and locations at which bottled  
29 beer may be offered for sale. This list must be received by the board  
30 before the microbrewery may offer beer for sale at a qualifying farmers  
31 market.

32 (c) The beer sold at qualifying farmers markets must be produced in  
33 Washington.

34 (d) Each approved location in a qualifying farmers market is deemed  
35 to be part of the microbrewery license for the purpose of this title.  
36 The approved locations under an endorsement granted under this  
37 subsection ((+5)) (6) do not constitute the tasting or sampling  
38 privilege of a microbrewery. The microbrewery may not store beer at a

1 farmers market beyond the hours that the microbrewery offers bottled  
2 beer for sale. The microbrewery may not act as a distributor from a  
3 farmers market location.

4 (e) Before a microbrewery may sell bottled beer at a qualifying  
5 farmers market, the farmers market must apply to the board for  
6 authorization for any microbrewery with an endorsement approved under  
7 this subsection (~~((+5+))~~) (6) to sell bottled beer at retail at the  
8 farmers market. This application shall include, at a minimum: (i) A  
9 map of the farmers market showing all booths, stalls, or other  
10 designated locations at which an approved microbrewery may sell bottled  
11 beer; and (ii) the name and contact information for the on-site market  
12 managers who may be contacted by the board or its designee to verify  
13 the locations at which bottled beer may be sold. Before authorizing a  
14 qualifying farmers market to allow an approved microbrewery to sell  
15 bottled beer at retail at its farmers market location, the board shall  
16 notify the persons or entities of the application for authorization  
17 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under  
18 this subsection (~~((+5+))~~) (6)(e) may be withdrawn by the board for any  
19 violation of this title or any rules adopted under this title.

20 (f) The board may adopt rules establishing the application and  
21 approval process under this section and any additional rules necessary  
22 to implement this section.

23 (g) For the purposes of this subsection (~~((+5+))~~) (6):

24 (i) "Qualifying farmers market" means an entity that sponsors a  
25 regular assembly of vendors at a defined location for the purpose of  
26 promoting the sale of agricultural products grown or produced in this  
27 state directly to the consumer under conditions that meet the following  
28 minimum requirements:

29 (A) There are at least five participating vendors who are farmers  
30 selling their own agricultural products;

31 (B) The total combined gross annual sales of vendors who are  
32 farmers exceeds the total combined gross annual sales of vendors who  
33 are processors or resellers;

34 (C) The total combined gross annual sales of vendors who are  
35 farmers, processors, or resellers exceeds the total combined gross  
36 annual sales of vendors who are not farmers, processors, or resellers;

37 (D) The sale of imported items and secondhand items by any vendor  
38 is prohibited; and

1 (E) No vendor is a franchisee.

2 (ii) "Farmer" means a natural person who sells, with or without  
3 processing, agricultural products that he or she raises on land he or  
4 she owns or leases in this state or in another state's county that  
5 borders this state.

6 (iii) "Processor" means a natural person who sells processed food  
7 that he or she has personally prepared on land he or she owns or leases  
8 in this state or in another state's county that borders this state.

9 (iv) "Reseller" means a natural person who buys agricultural  
10 products from a farmer and resells the products directly to the  
11 consumer.

12 **Sec. 2.** RCW 66.24.244 and 2006 c 44 s 2 are each amended to read  
13 as follows:

14 (1) There shall be a license for microbreweries; fee to be one  
15 hundred dollars for production of less than sixty thousand barrels of  
16 malt liquor, including strong beer, per year.

17 (2) Any microbrewery license under this section may also act as a  
18 distributor and/or retailer for beer and strong beer of its own  
19 production. Strong beer may not be sold at a farmers market or under  
20 any endorsement which may authorize microbreweries to sell beer at  
21 farmers markets. Any microbrewery operating as a distributor and/or  
22 retailer under this subsection shall comply with the applicable laws  
23 and rules relating to distributors and/or retailers. A microbrewery  
24 holding a spirits, beer, and wine restaurant license may sell beer of  
25 its own production for off-premises consumption from its restaurant  
26 premises in kegs or in a sanitary container brought to the premises by  
27 the purchaser or furnished by the licensee and filled at the tap by the  
28 licensee at the time of sale.

29 (3) Any microbrewery licensed under this section that also holds  
30 either a spirits, beer, and wine restaurant license or a beer and/or  
31 wine restaurant license may also receive a caterer's endorsement to  
32 either of those licenses as permitted under RCW 66.24.320 and  
33 66.24.420.

34 (4) The board may issue an endorsement to this license allowing for  
35 on-premises consumption of beer, including strong beer, wine, or both  
36 of other manufacture if purchased from a Washington state-licensed

1 distributor. Each endorsement shall cost two hundred dollars per year,  
2 or four hundred dollars per year allowing the sale and service of both  
3 beer and wine.

4 ~~((4))~~ (5) The microbrewer obtaining such endorsement must  
5 determine, at the time the endorsement is issued, whether the licensed  
6 premises will be operated either as a tavern with persons under twenty-  
7 one years of age not allowed as provided for in RCW 66.24.330, or as a  
8 beer and/or wine restaurant as described in RCW 66.24.320.

9 ~~((5))~~ (6)(a) A microbrewery licensed under this section may apply  
10 to the board for an endorsement to sell bottled beer of its own  
11 production at retail for off-premises consumption at a qualifying  
12 farmers market. The annual fee for this endorsement is seventy-five  
13 dollars.

14 (b) For each month during which a microbrewery will sell beer at a  
15 qualifying farmers market, the microbrewery must provide the board or  
16 its designee a list of the dates, times, and locations at which bottled  
17 beer may be offered for sale. This list must be received by the board  
18 before the microbrewery may offer beer for sale at a qualifying farmers  
19 market.

20 (c) The beer sold at qualifying farmers markets must be produced in  
21 Washington.

22 (d) Each approved location in a qualifying farmers market is deemed  
23 to be part of the microbrewery license for the purpose of this title.  
24 The approved locations under an endorsement granted under this  
25 subsection ~~((5))~~ (6) do not constitute the tasting or sampling  
26 privilege of a microbrewery. The microbrewery may not store beer at a  
27 farmers market beyond the hours that the microbrewery offers bottled  
28 beer for sale. The microbrewery may not act as a distributor from a  
29 farmers market location.

30 (e) Before a microbrewery may sell bottled beer at a qualifying  
31 farmers market, the farmers market must apply to the board for  
32 authorization for any microbrewery with an endorsement approved under  
33 this subsection ~~((5))~~ (6) to sell bottled beer at retail at the  
34 farmers market. This application shall include, at a minimum: (i) A  
35 map of the farmers market showing all booths, stalls, or other  
36 designated locations at which an approved microbrewery may sell bottled  
37 beer; and (ii) the name and contact information for the on-site market  
38 managers who may be contacted by the board or its designee to verify

1 the locations at which bottled beer may be sold. Before authorizing a  
2 qualifying farmers market to allow an approved microbrewery to sell  
3 bottled beer at retail at its farmers market location, the board shall  
4 notify the persons or entities of the application for authorization  
5 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under  
6 this subsection (~~((+5+))~~) (6)(e) may be withdrawn by the board for any  
7 violation of this title or any rules adopted under this title.

8 (f) The board may adopt rules establishing the application and  
9 approval process under this section and any additional rules necessary  
10 to implement this section.

11 (g) For the purposes of this subsection (~~((+5+))~~)(6):

12 (i) "Qualifying farmers market" means an entity that sponsors a  
13 regular assembly of vendors at a defined location for the purpose of  
14 promoting the sale of agricultural products grown or produced in this  
15 state directly to the consumer under conditions that meet the following  
16 minimum requirements:

17 (A) There are at least five participating vendors who are farmers  
18 selling their own agricultural products;

19 (B) The total combined gross annual sales of vendors who are  
20 farmers exceeds the total combined gross annual sales of vendors who  
21 are processors or resellers;

22 (C) The total combined gross annual sales of vendors who are  
23 farmers, processors, or resellers exceeds the total combined gross  
24 annual sales of vendors who are not farmers, processors, or resellers;

25 (D) The sale of imported items and secondhand items by any vendor  
26 is prohibited; and

27 (E) No vendor is a franchisee.

28 (ii) "Farmer" means a natural person who sells, with or without  
29 processing, agricultural products that he or she raises on land he or  
30 she owns or leases in this state or in another state's county that  
31 borders this state.

32 (iii) "Processor" means a natural person who sells processed food  
33 that he or she has personally prepared on land he or she owns or leases  
34 in this state or in another state's county that borders this state.

35 (iv) "Reseller" means a natural person who buys agricultural  
36 products from a farmer and resells the products directly to the  
37 consumer.

1        NEW SECTION.   **Sec. 3.**   Section 1 of this act expires June 30, 2008.

2        NEW SECTION.   **Sec. 4.**   Section 2 of this act takes effect June 30,  
3        2008.

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